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Broadcasting Nov 23

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57th Year 1987

Operators take growing stake in cable programing

Race for the roses

Vol. 113 No. 21

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Operator equity—rage in cable programing... page 40.

First 'blue ribbon panel' on ATV convenes... page 35.

Commerce Committee adopts TVRO bill...page 42.

No launch date yet for TNT... page 39.

MONEY MEN □ Cable operators, in effort to increase their position in programing, are taking equity stakes in programers, who find they need operators' distribution to launch. Some observers see dangers in such vertical integration. **PAGE 35.**

RECORDS SALE □ CBS board approves sale of CBS Records Group to Sony Corp. for $2 billion; speculation rises as to what CBS will do with cash from sales of CBS assets. **PAGE 39.**

LOOKING AHEAD □ Radio group executives address what's in store for 1988—from effects of October stock market crash to national and local spot dollars. **PAGE 44.**

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VIEW FROM THE TOP □ Sumner Redstone won battle for Viacom earlier this year. In this "At Large" interview with BROADCASTING, Redstone and executive he brought on board to run company, Frank Biondi, discuss business company is in and prospects for each of its diverse divisions. **PAGE 59.**

WIRELESS CABLE CONNECTION □ Microband Companies Inc. offers homes without cable in outer boroughs of New York and New Jersey suburbs six-channel wireless cable service. **PAGE 71.**

LEADING MAN □ CBS News Dallas correspondent, Harry Smith, is expected to be named male co-anchor of network's new morning news program, joining Kathleen Sullivan when program debuts Nov. 30. **PAGE 77.**

EYE ON THE FUTURE □ Ampex's M. Carlos Kennedy's steady watch on videotape technology trends help shape both Ampex and broadcasting industry. **PAGE 95.**

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Broadcasting (ISSN 0007-2028) is published 52 Mondays a year by Broadcasting Publications, 1705 DeSales Street, N.W. Washington, D.C. 20036. Second-class postage paid at Washington, D.C., and additional offices. Single issue $2 except special issues $3.50 (50th Anniversary issue $10). Subscriptions, U.S. and possessions: one year $70, two years $135, three years $190. Canadian and other international subscribers add $20 per year. U.S. and possessions $235 yearly for special delivery, $100 for first-class. Subscriber's occupation required. Annually: *Broadcasting* □ *Cablecasting Yearbook* $105. *Across the Dial* $6.95. Microfilm of *Broadcasting* is available from University Microfilms, 300 North Zeeb Road, Ann Arbor, Mich. 48106 (35mm, full year $55). Microfiche of *Broadcasting* is available from Bell & Howell, Micro Photo Division, Old Mansfield Road, Wooster, Ohio 44691 ($37/yr.). Postmaster please send address corrections to *Broadcasting*, 1705 DeSales St., N.W. Washington, D.C. 20036.

loud and clear. Good Luck!—*Joe Stallings, East Texas State University, Commerce, Tex.*

Comparative complaints

EDITOR: I was thrilled to read David Tillotson's Oct. 5 "Monday Memo" regarding the FCC's comparative process and its inherent problems.

It was a delight to see a Washington attorney stand up for those of us out here in the real world of radio broadcasting who are continually looking for unique business opportunities in various markets. Having been through a hearing process that had many of the elements of attorney Tillotson's synopsis, I can attest to the reality of his comments.

From an insiders point of view, what started out as a good idea on paper by the FCC has been turned into a gamble and a strategy game that is indisputably unfair and corrupt. My previous comparative hearing ordeal ended in a merging of the three parties involved. While I certainly agreed to the terms of the merger, the FCC, in actuality, twisted my arm. It's the system that did it and it took a lot of courage for Mr. Tillotson to speak out against the process. Sure, he and his partners stand to gain from the unfair standards that have been "accepted" so far, but that certainly doesn't mean they are fair and correct.

It seems to me that the FCC must quickly evaluate its procedure for determining who will be awarded a broadcasting license and in that process it must open its eyes to the dirty tricks and tactics that go on in this most unfair procedure. Serving the public interest cannot be decided on strategy that is contrived to win a license. With common sense prevailing, the FCC should review what has happened and correct this obvious blunder.—*Howard M. Ginsberg, partner, general manager, WKAJ(AM)-WQQY(FM) Saratoga Springs, N.Y.*

Spector memorial

EDITOR: I read with interest your "Suggestion Box" editorial in your Oct. 26 issue. It is heartening to see others recognize Beryl Spector's enormous legacy of contributions to the Broadcast Promotion and Marketing Executives. Her spirit, energy and enthusiasm helped move us forward in so many areas.

That is why, very soon after her death, last year's BPME President Judy Horan immediately proposed, and the BPME board unanimously enacted, a change of name for the BPME AERho scholarship. As you know, the $2,000 annual grant is the largest single scholarship administered by the National Broadcasting Scholastic Honorary Society. It is henceforth known as the BPME/AERho Beryl Spector Memorial Scholarship.

This was an appropriate move by BPME because not only was Beryl concerned about the scholarship and young people, but because her prime focus was on sharpening BPME's emphasis on improving professional education at all levels. Thanks to her that will remain our number one priority.

We feel that this lasting tribute will help us focus on Beryl and her achievements, and will keep her spirit alive for new generations of young, aspiring promotion and marketing professionals.

Tax deductible contributions in Beryl's name to the scholarship fund are accepted at any time by the BPME Foundation, a nonprofit organization that administers the Scholarship.—*Lance Webster, executive director, Broadcast Promotion & Marketing Executives, Lancaster, Pa.*

Call concern

EDITOR: In the Oct. 26 issue of BROADCASTING you have an editorial and an article on page 56 devoted to the FCC's recent decision to drop a proposal that it abolish its geographic division of call letters—W's for those east of the Mississippi River and K's for those west of the river.

There's really little to rejoice about in this decision.

The FCC long ago gave up any pretense of regulating station identifications, the primary purpose of call letters. In the Chicago area there are 20 Class B FM stations. Eleven of these identify either primarily or almost exclusively with slogans, such as B-96, Praise-92, Q-101, FM-100, Lite Rock 102, Z-95, The Loop 98, rather than their assigned call letters. Many of these including WLUP (The Loop 98), WKQX (Q-101), and WLOO (FM 100), make only one very quiet, correct identification near the top of each hour. In between, most of the stations bombard us with as many as 20 identifications using slogans rather than call letters.

Just now, Z-95 (WYTZ) is having a contest in which listeners are called at random and are asked to name the call letters of their favorite station. The station clearly says that the call letters are Z-95. They never even suggest that WYTZ is the real, correct answer.

And, on the AM band, WCZE frequently states: "You are listening to COZY." A lot of people know that 'C' call letters are assigned exclusively to Canada and Cuba. Where does COZY fit in with either 'W' or 'K'?

A local TV station identifies itself as TV-38. How many stations are on channel 38 in the U.S.? More than 10.

And perhaps, even better, I recently spent four hours listening to America's newest shortwave radio station, WCSN Boston. During that time they never once identified the station as WCSN, and, perhaps, to top it all, they use two totally different slogans to identify the station; one for Sundays, and one for the other six days of the week.

And then your article on page 56 mentioned that rating services were opposed to the possibility of eliminating the W and K differentiation. What do they use for identifications in markets such as Chicago where call letters for many of the stations are probably unknown by most of the populace?

The point of all this is that the FCC closed the barn door well after the horse escaped. By totally ignoring what was actually happening in the marketplace, they have allowed an incredibly chaotic, duplicative (how many FM-100's does America have?) system of station identification to take root and flourish.—*Joseph B. Martin, North Chicago, Ill.*

The Fifth Estate

Broadcasting

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Phone: 202-659-2340

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Broadcasting Publications Inc.
A Times Mirror Business Publication

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Vertical Integration

The business behind the boom in cable programing

The setting is the Denver office of the chief executive of a major MSO. On the other side of the desk is someone with a "great idea" for a new cable programing service.

Programer:...It's a goldmine.

CEO: Mmmmm.

Programer: Well, we'll give operators an equity interest.

CEO: Mmmmm.

Programer: OK, we'll give you 51% ownership, but not a dime more.

CEO: Mmmmm.

Programer: OK, OK, you can have 80%, but I've got to have 20% to meet payroll.

An exaggeration? Yes. But in the past 18 months, cable operator ownership and equity participation—the foot soldiers of vertical integration—have rapidly become the quid pro quo for launching new services.

There are a number of reasons why this method of financing/distribution has come into vogue. Cable operators see equity participation as a way to insure that services they feel their subscribers want will see the light of day. It gives cable operators greater, or in some cases, total control over the service. As industry proponents call for cable-exclusive programing to differentiate themselves, owning programing services takes on more allure. For many years, and to a lesser extent today, the cable industry has been criticized for relying on warmed over network or syndication reruns. Flush with cash from the completion of most system construction, and freed from local rate regulation, cable operators have the money to plow back into programing. And they are using some of that money to take equity stakes in programing services.

But although cable operators look at equity as a way to acquire a wider range of programing, and much that otherwise might not be produced, critics see the same development as an attempt by cable operators to hoard product and an example of an insensitivity to exclusivity arrangements that have helped cable prosper.

Programers who have tried to launch services in the past 18 months have found the shelf space dwindling. Channel capacity is as tight today on cable systems as it was in the early 80's. Although the situation is expected to ease somewhat by the early 1990's, as the last of the major urban builds are finished and system upgrades continue, cable operators are wondering how many more services can be added, since in the end consumers wind up paying for them.

Today's capacity crunch, which threatens to postpone the launch of the one of the industry's most solidly backed services, Turner Broadcasting System's Turner Network Television, is causing potential programers to offer equity stakes to operators to insure carriage. Most of the equity ventures that have launched in the last year and a half have a telemarketing feature, such as the Travel Channel, The Fashion Channel and the QVC Network. But other services have launched, although on a much lower scale, without equity offerings, the Consumer Discount Network and Movietime, for example. You TV and Teleworld are also on the drawing boards for launch next year, but neither came out of the blocks with equity participation ast part of its company structure.

Financial News Network's Meister

Fashion Channel's Herman

ATC's Dressler

"An equity deal is wonderful for initial distribution, and it secures a lot of different fronts," says Sheri Herman, vice president, sale and marketing, Fashion Channel, which launched with 65 equity cable operator partners. "But work still has to be done on a day-to-day basis to make sure it's a working partnership. If you don't have that, the best equity deal in the world won't matter."

David Meister, Financial News Network director, has launched services with and without equity. "In reality, what you have, no matter what the piece of paper between the two entities, is an inherent partnership in the promotion of a cable programing service to the consumer," says Meister. "In that process, a deal is going be made, whether you call it equity, revenue sharing, affiliate fee, commission or whatever. If it isn't a reasonable and fair deal, the whole thing breaks down."

Cable operators, although coming from a different perspective, also find that the equity-carriage element is a very important part, but that aspect alone won't carry a service. Still, some operators are more bullish than others when it comes to ownership or equity participation. Bob Redella, vice president, programing and investments for Cox Cable, lists what's important for getting a new service off the ground: "All the pieces really have to fit. The service has to be quality. It has to have a continuous flow of programing. It has to have good management. It has to have the necessary finances and finally it has to have carriage." Cox has taken a strong position in program service ownership, through the Discovery Channel, Home Premiere Television and its own home shopping service, America's Shopping Club. But

the key question in launching a new service, said Redella, whether equity or ownership stakes are involved, is: "Is the programing of quality value for the consumer?"

Taking a bit more cautious approach is American Television & Communications, the second largest MSO. "We are not out looking for equity positions in cable services," said Fred Dressler, vice president of programing. "We understand why people are offering equity, but it's our position that we'd rather make decisions on the value of the product and not the value of the investment."

While we're on the subject

An extended discussion on the approaches of various MSO's to ownership in program services, and an examination into why programers offer equity in order to gain distribution, continues on page 66. A list of the principal regional sports programing services, many owned by cable MSO's, appears on page 67.

Who owns what with whom in cable networking

Basic services

Network	*Subscribers*	*Ownership*
ESPN	44,300	Capital Cities/ABC (80%), RJR Nabisco (20%)
WTBS	41,642	Turner Broadcasting (Ted Turner 65%, Time Inc. **[ATC]** 11.5%, **TCI** 10.1%, **UA** 4.8%, **United** 3.2%, **Warner** 1.8%)
CNN	41,642	Turner Broadcasting (Ted Turner 65%, Time Inc. **[ATC]** 11.5%, **TCI** 10.1%, **UA** 4.8%, **United** 3.2%, **Warner** 1.8%)
USA	39,000	MCA (50%), Paramount (50%)
MTV	37,100	MTV Networks Inc. **(Viacom)**
Nashville	36,000	Gaylord Broadcasting
CBN	35,834	Christian Broadcasting Network
Nickelodeon	35,800	MTV Networks Inc. **(Viacom)**
Lifetime	32,300	CC/ABC (33%), **Viacom** (33%), **Hearst** (33%)
Weather Chan.	31,053	Landmark Communications (former parent of TeleCable)
Nick at Nite	31,000	MTV Networks Inc. **(Viacom)**
Headline News	28,352	Turner Broadcasting (Ted Turner 65%, Time Inc. **[ATC]** 11.5%, **TCI** 10.1%, **UA** 4.8%, **United** 3.2%, **Warner** 1.8%)
FNN	27,000	Infotech (20%), Dr. Earle Brian (15%)
A&E	27,000	CC/ABC (33%), NBC (33%), **Hearst** (33%)
Discovery	25,600	**TCI** (14%), **United** (14%), **Cox** (14%), **Group W** (14%), **Newhouse** (14%), management, New York Life Co., Allen & Co. (30%)
C-SPAN	23,000	**Cable operator supported**
VH-1	22,900	MTV Networks Inc. **(Viacom)**
WGN	22,481	Tribune Broadcasting
Score	19,800	Infotech (20%), Dr. Earle Brian (15%)
CVN	19,000	COMB Co. (50%), **18 cable operators*** (50%)
BET	15,000	Bob Johnson (51%), BET president, **TCI** (16%), **HBO** (16%), **Taft** (16%)
HSN I	13,500	Home Shopping Networks Inc.
C-SPAN II	12,500	**Cable operator supported**
Tempo TV	12,500	**TCI** (pending owner)

Network	*Subscribers*	*Ownership*
Telshop	11,000	Infotech (20%), Dr. Earle Brian (15%)**
QVC Network	10,747	QVC Network (65%), **Comcast** (14%), **cable operators** (21%)***
Inspirational	10,700	PTL Club
Learning Chan.	10,300	Infotech (40%), Appalachian Community Service Network (40%), officers and employes (20%)
WWOR	10,100	MCA
Silent Network	10,100	Silent Network Inc.
Video Mall Net.	10,000	Video Shopping Mall (Goodway Marketing 80%)
Trinity	7,200	Trinity Broadcasting Network (nonprofit)
Eternal Word TV	7,100	Eternal Word Television (nonprofit)
Fashion Channel	7,000	Charlie Gee (32%), **65 cable operators** (25%)**** **TCI** (10.5%), **United** (10.5%)
Country Music	6,700	Jim Guercio (principal owner)
Acts	6,000	Southern Baptist Convention
Travel Channel	5,700	TWA Marketing (100%), after equity offering TWAM will hold 63%, **cable operators** 37%*****
HSN II	4,200	Home Shopping Networks Inc.
Movietime	3,200	Employes (30%), Mabon, Nugent & Co., SRK Management, Loeb Partners and Hallmark (70%)
Shop TV	2,500	JC Penney (63%), STN (37%)******
WPIX	2,471	Tribune Broadcasting
Hit Video USA	2,100	Wodlinger Broadcasting
KTVT	1,891	Gaylord Broadcasting
Nostalgia	1,400	**Cooke Cablevision** (9%), **TeleCable** subsidiary has small percentage, largest single owners
Liberty	1,049	Liberty Broadcasting Network (nonprofit)
Consum. Disc. II	1,000	Entertainment Marketing Inc.
Sky Merchant	1,000	Jones Int'l. (parent of **Jones Intercable**)
America's Shop.	1,000	**Cox Cable**
Galavision	900	Univisa
Gospel Music Net.	844	GMN Ltd.
Motivation Net.	600	Rock Christian Network (nonprofit)
CDN I	526	Entertainment Marketing

Pay services

Network	*Subscribers*	*Ownership*
HBO	15,000	**Time Inc.**
AMC	7,000	Rainbow Program Enterprises (**Cablevision Systems**) 50%, **TCI** 50%
Showtime	5,300*	**Viacom**
Cinemax	4,100	**Time Inc.**
Disney	3,175	Walt Disney Co.
Movie Channel	3,000*	**Viacom**
Playboy	520	Playboy Enterprises
Bravo	500	RPE **(Cablevision Systems)**
Festival	30	**Time Inc.**

*Estimate. Showtime does not breakout figures for Showtime/The Movie Channel

Pay-per-view services

View. Choice I,II	4,000	**Viacom**
Request TV	2,500	**Daniels, United Cable, Centel, Heritage, American,** major motion picture studios
Home Premiere	2,300	**ATC, Cox, TeleCable, Continental** and **Newhouse** 20% each.
Cable Video Store	40	General Instrument

Bold face in right-hand column indicates cable operator ownership or ownership by company with cable systems in separate subsidiary.

*CVN—The ownership by **18 cable operators—American, ATC, Adam Corp., Cablevision, Colony, Continental, Cooke, Daniels & Associates, Heritage, Newhouse, Rogers, Sammons, TCI, Times Mirror, United Artists, United, Viacom, Warner**—is based on percentage of subscribers committed to service.

Telshop—FNN is offering equity to **cable operators (500,000 shares). FNN will retain two million shares.

***QVC Network—It is presenting owned by the public (65%), **Comcast** (14%) and **cable operators** (21%). When cable operators exercise warrants on 483,000 shares of preferred stock, redeemable for 10 shares of common stock, another 4.83 million shares will be added to the approximately 10 million shares outstanding. At that point, cable operators would own approximately 8.5 million shares of the 15 million shares outstanding, or 56% of the service. The largest in that group would be **TCI** (2,150,000).

****Fashion Channel—Among the larger cable operators with an equity stake are **Adelphia, American, ATC, Barden, Bresnan, Cablevision Industries, Centel, Century, Colony, Commonwealth Cablesystems, Continental, Cooke, Cox, Daniels, Enstar, First Carolina, Harron, Hauser, Heritage, Lenfest, Maclean Hunter, Marcus, Media General, Newhouse, Omega, Post Newsweek, Prestige, Sammons, Scripps Howard, Simmons, Susquehanna, Sutton Capital, Taft, TeleCable, TCI, Times Mirror, Triax, UA, United, United Video Cablevision, Viacom** and **Warner**.

*****Travel Channel—The final equity offering is to be placed by Dec. 1, whereby TWA Marketing will retain 6 million shares and **cable operators** will be offered 3.5 million.

******Shop TV—It has equity commitments from **30 MSO's** representing 3.3 million subscribers. MSO's will receive 1% equity in the service for each million homes they commit to. Cable operators who have major stakes in other shopping programs, such as TCI, United and Comcast, are not a part of Shop. Among the MSO's whose systems are carrying Shop TV are Cablevision Systems, Rogers, Continental and Warner.

TVRO's win round one on regulation

Commerce passes Gore-Ford bill; major fight expected on floor; it permits third parties to distribute cable program services to dish owners

The home satellite dish industry scored an initial victory last week when the Senate Commerce Committee adopted legislation (S.889) to regulate the TVRO marketplace. Still, final Senate passage is not a given; indeed, the battle is apt to intensify as it heads for a final floor vote. Proponents are hoping to see it move before Congress adjourns and are already laying the groundwork for House consideration.

Despite Commerce's action (it was approved by voice vote) there was some dissention. The Communications Subcommittee chairman, Daniel Inouye (D-Hawaii), thinks the measure is wrongheaded and promises to fight it on the floor. Inouye could be joined by Bob Packwood of Oregon, the ranking Republican on the subcommittee, who although absent from the debate (he was a participant in the White House-congressional budget summit), is known to oppose the bill as it was reported from committee. Ted Stevens (R-Alaska) also has problems with it.

S.889 would mandate that cable programers permit any qualified third party—inside and outside the cable industry—to distribute their services to dish owners. (To assuage some concerns, this provision was modified to "allow reasonable programer judgments to be made in qualifying distributors.") Proponents of the bill believe competition among multiple third-party distributors would keep prices of programing low enough to satisfy dish owners and bolster the sagging home satellite industry by making dish ownership more attractive to consumers.

Even those who favor S.889—Senators Pete Wilson (R-Calif.) and Larry Pressler (R-S.D.), for example—indicated they'll seek further refinements. Senator John Kerry (D-Mass.) expressed doubts about the need for such a bill and, according to staff, may offer some amendments. "A lot of work has to be done.... It's not over," said one Senate aide.

The controversial measure pits cable against the home satellite industry and has been the subject of a massive grassroots campaign by dish owners, dealers and manufacturers for several years; they failed by a vote of 55 to 45 to pass a TVRO bill in the Senate last year. But this time proponents feel the numbers are on their side. "This is far from over but we're really on the right track," said Fred Finn, president of the Home Satellite Television Association. The Satellite Broadcasting & Communications Association applauded the committee's actions and is hopeful the "momentum will carry over to the House side," said President Chuck Hewitt.

Senators Al Gore (D-Tenn.) and Wendell Ford (D-Ky.), the legislation's principal sponsors (along with Dale Bumpers [D-Ark.]), were equally pleased. Following the vote, Gore told reporters he is confident the measure will receive full Senate approval. "I am very pleased with where we are today," said Ford, who added, "those win-them-all's [an obvious reference to cable's numerous legislative and regulatory victories] are going to lose one."

Cable was not viewing the committee's action as a terminal blow. It was a case of the opponents choosing "not to have the fight in committee but on the floor," said National Cable Television Association President Jim Mooney. Nor does Mooney think the bill will be enacted because, he said, "it is fundamentally flawed. It is a solution in search of a problem and we will continue to oppose it."

43 leading roles on the new shows are held by women and that 19% of the new shows have no female characters. In many other programs, the study said, women have only minor supporting roles and irrelevant to the action. "This return of male-dominated programs halts Hollywood's slow but steady progress toward equitable portrayals of women on TV," the review concluded.

The report was released at a luncheon in Washington honoring the winners of the "1987 Women at Work Broadcast Awards." There were 10 first-place winners: A special achievement award, the "Commissioners Award" was presented to *Cagney and Lacey* for setting the standard for women on television. The awards followed a three-day conference that focused on training low-income women and displaced homemakers to be self-sufficient.

While decrying the lack of major roles for women in the new fall shows, the report said women are being more realistically portrayed. "Although the dominant female profile on TV is still that of a young, white and single woman who is professional, that profile is losing some dominance, as working class females and women in nonprofessional jobs are beginning to inch their way back on the screen after disappearing for almost a decade," the report said.

"We are pleased to see female characters who are not wealthy corporate presidents," said commission Chairman Alexis Herman. "Diverse, realistic images of women have been off the screen for too long, and their reappearance is welcome." She cited *Frank's Place* as a show that breaks new ground by introducing black female characters "who are varied and authentic."

The report said that "TV's portrayal of families is beginning to acknowledge the pressures of combining work and family life, in contrast to past seasons, when juggling parent/worker/spouse roles was portrayed as quite effortless."

But Herman complained that the proportion of single men raising children on TV is "many times more than in the real world." The report says two-thirds of all children in single-parent homes on the new shows live with men, while in reality 90% live with their mothers.

The commission also cited *My Two Dads* for containing scenes that are offensive to women. "Television this year has given us scenes that have been as flagrantly demeaning for women as any that have aired," said commission member, Betty Thomas, who played officer Lucy Bates on *Hill Street Blues*.

Although there is less sexual violence on TV this season—perhaps an unintended result of fewer women in the shows—the report complained that over all the shows present a new world in which men and women rarely interact.

"Relegating women to the sidelines or banishing them from programs altogether solves a number knotty of problems," the report said. "For one, it avoids the dilemma of how to portray sexual responsibility and sexual practices.

"Furthermore, it allows TV writers, most of whom are men, to create more male characters, which is what many know best," the report said, adding that "a lineup of male action shows is a strong attempt to lure disappearing men TV viewers back to the set."

NBC takes week eight

Nielsen	Net		AGB	Nielsen	Net		AGB
1. 33.9/51	N	Cosby Show	1. 31.9/49	36. 13.6/21	C	Jake and the Fatman	30. 15.7/25
2. 26.4/48	N	Cheers	2. 26.3/40	37. 13.6/20	C	Kate & Allie	27. 16.2/24
3. 25.8/37	A	Growing Pains	10. 21.4/33	38. 13.3/21	A	Napol. & Josephine, 3	53. 11.4/19
4. 24.7/38	N	Night Court	6. 23.2/37	39. 13.1/20	A	Disney Sunday Movie	51. 11.6/18
5. 23.7/36	C	60 Minutes	3. 24.8/38	40. 13.1/23	C	Beauty and the Beast	35. 14./24
6. 23.4/36	A	Who's the Boss	11. 20.7/33	41. 13./22	N	St. Elsewhere	42. 13.1/24
7. 22.2/39	N	Golden Girls	5. 24.7/42	42. 12.9/20	N	A Year in the Life	48. 12.4/20
8. 22.1/34	N	Monday Night Movies	15. 19.3/31	43. 12.8/21	C	Equalizer	39. 13.7/25
9. 20.9/34	C	CBS Sunday Movie	7. 22.8/37	44. 12.5/23	A	20/20	37. 13.9/26
10. 20.8/31	C	Murder, She Wrote	4. 24.7/36	45. 12./20	C	Cagney & Lacey	41. 13.2/23
11. 20.1/33	N	L.A. Law	18. 18.3/32	46. 12./18	N	J.J. Starbuck	43. 12.9/20
12. 18.9/28	A	Head of the Class	21. 18./29	47. 11.7/18	A	Dolly	55. 11.1/16
13. 18.9/28	N	Alf	13. 19.9/30	48. 11.7/18	C	Wiseguy	46. 12.4/19
14. 18.7/33	N	227	9. 21.5/37	49. 11.7/18	C	Frank's Place	36. 14./21
15. 18.6/30	A	Napol. & Josephine, 1	28. 16.1/27	50. 11.7/21	N	Crime Story	45. 12.5/22
16. 18.1/28	A	Perfect Strangers	29. 16./26	51. 11.5/17	A	Spenser: For Hire	64. 9.1/13
17. 18.1/27	N	Family Ties	12. 19.9/29	52. 11.4/19	A	Mr. Belvedere	50. 11.6/19
18. 18./35	N	Hunter	16. 18.9/36	53. 11.3/17	N	Our House	44. 12.7/20
19. 17.8/32	N	Amen	8. 21.8/37	54. 11.1/19	N	Rags to Riches	47. 12.4/21
20. 17.3/29	C	Dallas	23. 16.7/28	55. 10.7/20	N	Private Eye	58. 10.7/20
21. 17.1/26	N	Matlock	22. 17.9/28	56. 10.4/18	A	I Married Dora	56. 11./19
22. 16.6/26	N	NBC Sunday Movie	24. 16.5/26	57. 10.4/16	C	Pee Wee's Playhouse	62. 9.4/15
23. 16.4/24	C	Newhart	20. 18.1/27	58. 10.2/18	C	Law and Harry McGraw	52. 11.5/20
24. 16.4/24	N	Valerie's Family	26. 16.2/24	59. 10.1/18	A	Full House	54. 11.3/20
25. 16.4/24	N	My Two Dads	17. 18.5/27	60. 9.5/14	C	Tour of Duty	57. 11./17
26. 16.2/26	A	Napol. & Josephine, 2	34. 14.4/25	61. 9.2/15	A	Pursuit of Happiness	60. 9.8/16
27. 16.1/29	N	Facts of Life	14. 19.4/33	62. 9.1/15	A	Buck James	69. 6.9/13
28. 15.9/27	A	Monday Night Football	38. 13.8/24	63. 8.8/15	A	Ohara	67. 8.1/14
29. 15.6/24	N	Highway to Heaven	19. 18.2/29	64. 8.3/16	A	Hotel	65. 8.7/17
30. 15.2/22	C	Designing Women	25. 16.4/25	65. 8.2/12	C	Houston Knights	59. 9.8/16
31. 14.4/27	C	Falcon Crest	33. 14.4/27	66. 7.9/14	A	Sable	70. 6.5/11
32. 14.3/23	A	MacGyver	49. 11.9/18	67. 7.7/12	A	Sledge Hammer	66. 8.3/13
33. 14.3/24	C	Knots Landing	40. 13.6/24	68. 7.5/13	C	CBS Saturday Movie	61. 9.7/17
34. 14.1/23	N	Miami Vice	32. 14.5/24	69. 6.9/13	C	West 57th	63. 9.3/18
35. 13.8/21	C	Magnum, P.I.	31. 14.8/24	70. 6.3/9	A	Charmings	68. 7.4/11

Cable operators make the equity play

The posture that cable companies take on equity deals or outright ownership of programing services depends on the goals of the company and its executives. Tele-Communications Inc., the largest MSO, has made the most headlines in taking ownership positions in cable services. With its proposed buy of Tempo Enterprises and its stake in Turner Broadcasting System, TCI owns a piece of WTBS(TV) Atlanta, CNN, Headline News, Discovery Channel, Cable Value Network, Black Entertainment Television, Tempo TV, QVC Network, Fash-

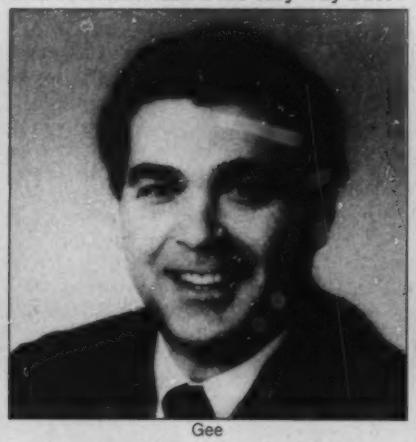
Segel

ion Channel and American Movie Classics and two regional sports networks, one in Pittsburgh, the other in Salt Lake City. It is also a major backer of the proposed ecumenical religious channel being put together by the National Interfaith Cable Coalition, although it does not have ownership in the venture. But TCI's aggressive stance is being followed by a host of other MSO's, which also own parts of TBS's programing services; Discovery; QVC Network (Comcast); Fashion Channel (United) and the new pay-per-view network, Home Premiere Television, which is owned by Cox, Continental, ATC, Tele-Cable and Newhouse.

To operators it is a way to insure that programing, sometimes new and varied, gets to subscribers, and maybe, at the same time, makes a little money. Once tried many liked it.

"We didn't have any expertise in programing," says Comcast Cable President Bob Clasen, "and were very reluctant to make investments." But after the success of the Home Shopping Networks, the company commissioned a study on the subject. "QVC Network was an aspect of home shopping that we had commissioned research on. When we were approached, we had the expertise and didn't see shopping as more high risk oriented" than other businesses, said Clasen. Comcast was offered a stake in HPT and Discovery, but did not take it because it felt it had no expertise in those areas. Clasen said the company anted up for Turner because of strategic reasons. Still, Clasen said the company "wouldn't rule out that we'd make investments in programing." But the rule of thumb at Comcast on participation is whether a new programing service makes business sense. The company, said Clasen, looks for "investments with reasonable and predictable returns," which not all programing ventures can boast.

ATC's Dressler said: "We don't feel compelled to take an ownership position unless we feel that's the only way a serv-



Gee

ice that we think is worthwhile can get off the ground. We feel the marketplace seems to be working quite well."

There are potential problems, said Dressler, with the proliferation of equity ownership. "When it's been offered, all of a sudden people get used to it," said Dressler. "It can be like a drug," he said, in describing operators who are "getting hooked" on equity. He sees particular problems "when a lot of these deals are based on distribution and not cash-out-of-pocket." There are additional reasons why ATC has distanced itself from too much equity participation. "We'd like to remain a little more independent to make our decisions...We have a lot more clout with a program supplier who can't take our distribution for granted," said Dressler.

The same financial aspects that make some operators wary of equity, make it more appetizing for others. "We approach it from an investment point of view," said Cox's Redella. "Some deals with equity participation along with other MSO's are not nearly as attractive as ones where we can team with a handful of MSO's in order to get into a larger position," as was the case with Discovery and HPT. With Discovery, "we have a say on the ongoing operation," an advantage that is lacking when programers "are just purchasing channel space," said Redella.

Cox took an ownership in HPT, the pay-per-view network, for a number of reasons. Redella said the company was not sure how the existing PPV services would shake out and to what degree they would be operator-friendly. The goal of HPT "is to keep the profits at the system level." With Request and Viewer's Choice, said Redella, "that's not going to happen." To Redella, PPV looks a little bit like the early days of basic, when programing was first offered free, then affiliate fees were assessed. "The profits belong on the system level," says Redella, and they serve "to entice [system operators] to keep stimulating the marketplace" with concentrated mar-

Clasen

keting. It was for that reason, along with Cox's desire to tap a "new growth revenue segment," that it invested in HPT.

In the case of QVC, Cox took an equity stake, but only a small one. "QVC was a real financial calculation," says Redella, "The opportunity there was a very short-term gain." The initial public offering was for $10, with operators being allowed to sell if the stock hit $20 for 20 consecutive trading days. Cox also has a small stake in Home Shopping Networks in addition to its own home shopping service.

Colony Communications is a smaller MSO and has made only "token investments" in start-up services, such as QVC, HSN and CVN. The criteria it follows, according to President Charles Townsend, include these: "Do we think it is a good service, and how do we maximize the return?" In Colony's case, the services were home shopping oriented. Aside from the 5% commission, "you can also make some good money on capital appreciation," said Townsend.

But for the mid-sized MSO, such as Colony, the involvement of larger MSO's in program service ownership has trickle-down benefits. TBS's Goodwill Games plans and ESPN's NFL package were offered to subscribers on a pro-rata basis, the first time that has happened, said Townsend. That meant no volume discounts for the large MSO's and an even shake for smaller operators, such as Colony. Each operator paid a

direct ratio to the number of subscribers it committed. "We need them as much as they need us," Townsend said of the big guy-little guy relationship. "To get this high-profile programing costs money, and you've got to have the big operators in there to afford the big programming," said Townsend. "I feel that operators supporting programing networks is a positive direction," he said.

Perhaps the most successful widespread equity launch was the Fashion Channel, which lined up 65 cable operators in affiliation/equity agreements for its launch last month. The operators control 25% of the company, taking 2.5 million shares (at 20 cents a share). They include TCI and United, which have now taken greater stakes in the venture (see 36). The Fashion Channel has seven million subscribers; by the third year of the affiliation agreements, the shares will be released to the cable operators from an escrow account if the channel is in front of 18 million subscribers as committed by the operators.

Charlie Gee, chairman and chief executive officer of the Fashion Channel, found cable operators likely partners in getting the retailing service off the ground. The cable industry had already backed QVC and HSN, he said, and "to market the program better," selling equity stakes was the way to go. "They give us channel capacity," says Gee of operators, which, in turn, better position themselves with diversified programing by carrying the Fashion Channel. That increases penetration, which is the payoff for operators, said Gee. And although many MSO's are on board, they have not attempted to get involved in programing decisions. "They were very supportive and left it to us to run our own show," said Gee.

The Fashion Channel managed to sign up the MSO's before the capacity issue became critical. "We were very, very lucky in that regard," says Herman. "We got in before the door closed." But there was a "tremendous interest in seeing a service like the Fashion Channel get off the ground," said Herman. Only Jones Intercable, which did not want another shopping-related service to compete with its own service, Sky Merchant, and Cablevision Systems, which did not want to sign a five-year agreement, remain unsigned Fashion Channel distributors.

Meister launched FNN several years ago without giving away an equity stake during an era when channel capacity was tight. Since then, FNN's Score and Telshop have gone on the air, but the company's plans to extend the latter shopping service to 24 hours have been delayed. At present, FNN is offering cable operators a small stake in the home shopping service in hopes of getting it launched on its own channel. "You can't go around giving a five-year-old profitable company away," says Meister.

But in trying to sell Telshop this summer, Meister found that the playing field was tilted against it, especially with the other shopping services that MSO's were carrying. FNN decided to offer equity in Telshop as a carriage inducement, allocating 500,000 shares in Telshop for cable operators while FNN retains two million. To date, ATC, Cox, Viacom, Century, Centel and Cable America have signed or said they would sign, said Meister. The extent of the individual equity in Telshop depends on when operators sign up and the number of subscribers committed, a now-standard formula in the industry. The Telshop shares carry with them certain terms allowing for the convertibility to FNN shares. If the 500,000 shares are bought by cable operators and all the conversions are exercised, cable operators could own 8% of FNN in three years. At present, that is the extent of the plans for MSO participation. "As far as I'm aware, no operator has a substantial interests in FNN," says Meister.

Was FNN too late in offering equity in Telshop? Meister has run into operators who after viewing the Telshop presentation will say: "'That's a compelling argument [for your service], but I have equity in your competitors.' The reality is they don't have the same motivation." But Meister does not see sinister forces at work. "The cable operator gives us distribution, and conversely they need our services," he said.

Meister says cable operators "are not looking for asset appreciation. They are concerned that somehow, somebody will do something that hurts their business, that dilutes the value of cable. They have a loud voice and they will be listened to." But the bottom line, he said, is that "there's a certain amount of money available no matter how you configure it. If the cable operator squeezes too hard, then we can't run the business well and profit from it," said Meister.

Equity, said Joseph Segel, chairman of QVC Network, "was the most appropriate way to go because cable carriage was extremely valuable. Equity offers an opportunity that makes sense to the cable companies," said Segel, and allows QVC "to acquire the maximum carriage. It worked very well." Comcast was an early significant partner, and has since been joined by TCI.

"In our view, its a fair exchange," said Segel. "We got very valuable carriage which is essential. We never really considered anything other than a combination of equity and the standard 5% commission because it made sense to us."

And Segel sees no problems with operators wanting a say in the operation. "We welcome their comments," said Segel, because they provide instant feedback on how the service is doing. There is a line, Segel feels, that operators won't cross, both in financial and operational demands. "The cable companies are smart enough to recognize that the programer has to make money too; otherwise the equity isn't worth very much," says Segel.

Shop TV has 30 MSO's aboard in conjunction with its launch last month. The operators committed 3.3 million subscribers (Shop TV is up and running with 2.5 million at the moment), with MSO's eligible for a 1% stake in the service for every million homes. The equity offering runs through Dec. 30. The operators' equity is predicated on each signing a three-year affiliation agreement. With that comes a Shop TV six-month guarantee that it would match the highest commission of any other service, which can range up to 10%. To date, Shop TV is being carried by systems owned by Rogers, Warner, Continental and Cablevision Systems. Caroline Vanderlip, senior vice president, sales, said the reaction so far has been positive. The operators "like the programing and the look of the show," she said. The chief reason other operators have not come

Regional sports ownership

Pay services

Sportschannel New York	1,015,000	**Cablevision Systems**
Home Team Sports	720,000	**Group W**
Prism	400,000	**Cablevision Systems**
Pro-Am Sport Systems	317,000	Thomas Monaghan, Detroit Tigers owner
New England Sports Network	210,370	Boston Red Sox (34%), Bruins (34%), **SCI Television** (30%), New Boston TV Inc. (2%)

Basic and tier services

Madison Square Garden Network	2,120,000	Gulf & Western
Prime Ticket	1,800,000	Jerry Buss (50%), **Bill Daniels** (50%)
SportsVision Chicago	1,000,000	**Cablevision Systems**
Pirates on Cable	925,000	**TCI**
Sportschannel New England	725,000	**Cablevision Systems**
Home Sports Entertainment	574,400	Houston Sports Association
Sabres Network	500,000	Buffalo Sabres
Utah Jazz	325,000	Utah Jazz and **TCI** joint venture
Arizona Sports Programing Network	170,000	**Times Mirror Cable**
Trail Blazers	143,000	Portland Trailblazers
Sportschannel Florida	35,000	**Cablevision Systems**

Bold face denotes ownership by cable operator or company that operates systems through another subsidiary. Subscriber figures are from Paul Kagan Associates.

aboard, she said, has been channel capacity or their vested interests in other services. Among the no's are TCI, Comcast and United. Shop TV is 63% owned by JC Penney and 37% owned by STN Ltd., a public company.

The Travel Channel plans to complete its initial stock offering to cable operators in the next few weeks. It is offering cable operators 3,500,000 shares in exchange for households. At a penny apiece, the offering ($35,000) is not designed to raise money, since the channel has the backing of TWA, but to insure carriage. It is now seen on 5.7 million cable homes. The offering will dilute TWA's ownership portion to approximately 63%. The Travel Channel has not identified equity partners, but among the MSO's that are carrying the service are ATC, Cox, Storer, Warner, Hearst, Comcast, American, UA, Heritage and Times Mirror. The deadline for putting the Travel Channel on, and thus be eligible for the stock, is Sept. 1, 1988. A second draft of the prospectus is expected to offer operators another 500,000 shares, which dilute TWA Marketing's share to 60%. The Travel Channel gives operators a 5% commission on sales and remits 5% on the per-inquiry advertising that runs on the channel.

Jones Intercable's Sky Merchant service is on in roughly a million homes, most of them Jones subscribers, but the company plans to step up its marketing efforts as more programers shift to Galaxy III, the service's home, and cable operator attention follows. Jim Krejci, chairman and chief executive officer of Sky Merchant, says the service "is picking the most likely candidates" for its marketing efforts, since operators are already inundated with other home shopping services. Sky Merchant's goal is to reach five million. "You can do it [make a profit] at less than five million," says Krejci. But capacity remains Sky Merchant's chief obstacle. "There are niche markets," says Krejci, who believes cable operator concentration on Galaxy III will push Sky Merchant over the top. "The basics of the industry are very sound," he said.

There are programing services that have launched or tried to launch without equity participation. Movietime, a service that highlights entertainment that is appearing on pay and basic cable as well as in the theaters, has launched without an equity offering and is finding channel space and time where it can. "Giving away equity for subscribers, while it makes your distribution grow, is not the long-term way to go," said Larry Namer, president and chief operating officer of Movietime. "If you give away equity...there may be a tendency to turn you into a nonprofit organization," Namer believes, "because none of their cash is involved." If operators "put their cash in," he said, "they begin to look at it as more of an investment." Namer said nothing precludes an operator from buying Movietime stock on the open market. Still, Namer admits the lack of equity "significantly slows the process" of getting carriage. Launched this past summer, Movietime is on in 3.2 million households, and on target to reach break-even at seven million homes next summer.

David Heath, director of cable operations for The Consumer Discount Network, a home shopping service, said the company never opted for a stock ownership, and "that has hurt somewhat." The cable operator "has been conditioned as part of the deals" that have been made, he said. And Heath is getting CDN on where he can, on the downtime of Playboy, for instance. But Heath says: "Cable operators are more concerned with the value of programing for their subscribers" than stock warrants. CDN is caught in the industrywide evaluation cable operators are making with various home shopping services. "The masses will dictate what they want to see," says Heath. Despite the small subscriber count—CDN I has one million subscribers—Heath said the network is "real close" to break-even.

But there are indications that the equity play may be playing itself out. Teleworld, an informational service that plans to launch in May, has been offering equity to cable operators but has found few takers. Gerald Adler, president and chief executive officer of Teleworld, said Black Monday "has made equity a lot less desirable." Additionally, operators "would rather not have to be under the burden of considering the profit potential versus the pure potential" of the service, said Adler. Teleworld has stated it would offer 10% ownership in the service, and it has had discussions with the top MSO's. "They don't seem to be all that interested, and once they are, it's a question of how they divide [the equity] up," said Adler. That has led Teleworld to consider putting together a string of UHF television stations to get carriage of the service. The programing, said Adler, would work at just eight hours as it would at 24.

The decentralization of many MSO's has been a problem for many new programers. The increasing concentration of ownership would make it seem easier to get a large number of subscriber commitments at a faster pace. But decentralization makes a successful pitch in Denver only half the job, the other half being to convince the field operators to go aboard. Amos (Bud) Hostetter, chairman of Continental Cablevision, said: "We never forced a service down a local manager's throat. They have got to sign on themselves." There is a lot of communication between field and corporate levels at Continental, said Hostetter, but "the decisions here come from the bottom up."

ATC is also highly decentralized, but Dressler said "clearly we try to coordinate with our divisions." And while equity helps services to launch, the increasing pace of decentralization among MSO's (ATC has 24 divisions) makes a programer's job tougher as the same sell job has to be done on the regional level. "It's good to keep the program suppliers on their toes," says Dressler, "and not to assume that just because somebody in Denver thinks it's a good idea, every division across the country is going to carry a particular service."

□

Some of cable's loudest critics have decried what they see as greater vertical integration in the programing industry, where owner and distributor of programing are one and the same. They charge that operators won't make programing available to noncable services, such as MMDS, SMATV and TVRO markets, or will do so at an inflated price. Jack Valenti, president of the Motion Picture Association of America, may be the most vocal critic, but there are signs the government is beginning to pay some attention. Vertical integration in programing services is one of the many areas the National Telecommunications and Information Administration will examine in its wide ranging study into cable television service (BROADCASTING, Nov. 16). There are concerns that cable operators will some day acquire the same consolidations of programing and exhibition interests that led the government in 1948 to break up common ownership of movie studios and theater chains.

Some in the cable industry are concerned about vertical integration. Comcast's Claser said: "There is definitely a balance that's required." There would be trouble "if we were the gatekeeper for a large percentage of programers," he said. On the other hand, he said, the cable industry "made MTV. I would hate to see a brand name we created coming back on us."

Phil Lind, president, Rogers Communications U.S. cable operations, explains the dilemma cable operators face on equity. "I like it, but there are some real potential public policy problems if you're denying access." When Rogers has taken an ownership stake in the services—it owns 35% of the Canadian Home Shopping Network—it was because "we wanted the services to fly," said Lind. "But the industry has to be very aware of giving access. It can be made out to be a determining factor. If it is a marginal service, it raises public policy issues."

But other operators point to an increasingly competitive programing environment, which makes the vertical integration issue less important. There is more and more competition, ATC's Dressler pointed out, and as competing technologies develop it will be "more important for each of those technologies to control its programing."

To cable's adversaries, the operator equity/ownership situation raises questions of anticompetitive programing practices and product dominance. To the cable insiders, it is a question of competitive survival.

seven FM's principally owned by Myer Feldman, Adrienne Arsht and Bruce Houston. Action Nov. 6.

■ WMJW(FM) Nanticoke, PA (BALH870922HK; 92.1 mhz; 860 w; HAAT: 552 ft.)—Granted assignment of license from Thunder Broadcasting Corp. to Frank & Maley Inc. for $750,000. Seller is owned by Francis Koscielski (Frank Stanley). It has no other broadcast interests. Buyer is owned by Robert J. Maley and Joseph A. Frank, who also own WBAX(AM) Wilkes-Barre, PA. Action Nov. 6.

■ WESC-AM-FM Greenville, SC (AM: BTC870923HR; 660 khz; 50 kw-U; FM: BTCH870923HS; 92.5 mhz; 100 kw; HAAT: 2,000 ft.)—Granted assignment of license from Broadcasting Co. of the Carolinas to Flair Broadcasting Co. for $15 million. Seller is wholly owned by Robert Schmidt, chairman, who has no other broadcast interests. Buyer is new New York-based company formed to acquire and operate radio stations and headed by John Boden, former president of Blair Radio, New York-based radio rep firm. WESC-AM-FM are company's first acquisition. Action Nov. 4.

■ WFON(FM) Fond Du Lac, WI (BALH870914GP; 107.1 mhz; 3 kw; HAAT: 312 ft.)—Granted assignment of license from Costas Enterprises, Inc. to Independence Broadcasting of Wisconsin Corp. for $3.3 million. Seller is owned by Don Rabbit, who has no other broadcast interests. Buyer is principally owned by John Goodwill and Peter Sulick. It also owns KSAL(AM)-KYEZ(FM) Salina, KN, and KOEL-AM-FM Oelwine, IA. Action Nov. 5.

New Stations

Applications

AM

■ Holly Hill, FL (BP871104AA)—Thomas H. Moffitt seeks 1180 khz; 7.5 kw-D; 250 w-N. Address: 304 Crane Cove, Longwood, FL 32750. Principal has no other broadcast interests. Filed Nov. 4.

FM's

■ Malvern, AR (BPH871104MF)—Malvern Broadcasting Co. seeks 93.3 mhz; 3 kw; HAAT: 35 m. Address: 1402 Hwy 270 South, Malvern, AR 72104. Principal is owned by Kermit L. Richardson and family, who also own KBOX(AM) Malvern. Filed Nov. 4.

■ Malvern, AR (BPH871105MD)—Harbour Enterprises seeks 93.3 mhz; 3 kw; HAAT: 97 m. Address: 317 S. Main St., Malvern, AR 72104. Principal is owned by Donald C. Harbour and family, who have no other broadcast interests. Filed Nov. 4.

■ Farmington, IL (BPH871104ME)—Farmington Broadcasting Co. seeks 95.7 mhz; 3 kw; HAAT: 100 m. Address: 2104 West Moss, Peoria, IL 61604. Principal is owned by Phyllis O. Markley, who has no other broadcast interests. Filed Nov. 4.

■ Manhattan, KS (BPH871103MA)—Kansas Broadcast Associates seeks 104.7 mhz; 50 kw; HAAT: 150 m. Address: 948 Grant Ave, Lot #24, Junction City, KS 66441. Principal is owned Gevin C. Kidd, who has no other broadcast interests. Filed Nov. 3.

■ Manhattan, KS (BPH871104MB)—Little Apple Broadcasting seeks 104.7 mhz; 50 kw; HAAT: 150 m. Address: P.O. Box 1534, Emporia, KS 66801. Principal is owned Mike Law, who has no other broadcast interests. Filed Nov. 3.

■ Farmington, NM (BPH871104MI)—Voice Ministries of Farmington seeks 95.7 mhz; 100 kw; HAAT: 120 m. Address: Star Rte 5, Box 42, Gallup, NM 86515. Principal is owned by Frank Lucero and his wife, Cleone, and Fareed Ayoub and his wife, Annette. It has no other broadcast interests. Filed Nov. 4.

■ Middle Island, NY (BPED871102MF)—Longwood Central School District seeks 88.3 mhz; 250 w; HAAT: 34 m. Address: Yaphank Rd., Middle Island, NY 11953. Principal is educational institution headed by Barbara Weiss, president. Filed Nov. 2.

■ Shadyside, OH (BPH871103MC)—Shadyside Wireless seeks 95.7 mhz; 3 kw; HAAT: minus 42 m. Address: 4433 Wells Pkwy., University Park, MD 20782. Principal is owned by Arthur V. Belediuk, who has no other broadcast interests. Filed Nov. 3.

■ Shadyside, OH (BPH871104MH)—Getz Broadcasting Inc. seeks 95.7 mhz; 3 kw; HAAT: minus 42 m. Address: 4301 SW 35th Terrace, Topeka, KS 66614. Principal is owned by Gerald A. Getz, who has no other broadcast interests. Filed Nov. 3.

■ Delta, UT (BPH871105MI)—TGWM Inc. seeks 95.7 mhz; 100 kw; HAAT: 2 m. Address: 781 North Valley View Dr., #34, St. George, UT 84770. Principal is owned by Glen S. Gardner, Orval Wright, Rex L. Jackson and John L. Miles.

TV's

■ Panama City, FL (BPCT871103)—The Rock of Panama City Inc. seeks ch. 62; 2,000 kw vis., 200 kw aur.; HAAT: 219 m. Principal is owned by F. Nolan Ball, who has no other broadcast interests. Filed Nov. 3.

■ Joliet, IL (BPCT871102KE)—Joliet Television Station LP seeks facilities of WGBO-TV (BROADCASTING, Nov. 16). Address: 35 E Wacker Dr., Suite 1356, Chicago, 60601. Prinicpal is owned by Terry Dolan, who has no other broadcast interests. Filed Nov. 10.

Actions

AM's

■ Buena Vista, GA (BP870518AF)—Returned app. of Ruben Burton for 890 khz. Address: 613 S Lagrange Rd., Lagrange, IL 60525. Principal has no other broadcast interests. Action Nov. 6.

■ Lithia Springs, GA (BP850329AF)—Granted app. of Georgia Broadcasters for 830 khz; 50 kw-D; 1 kw-N. Address: 4610 Brainwood Dr., Sacramento, CA 95821. Principal is headed by James E. Auel, who also has interest in KEWQ(AM) Paradise; KGBA-FM Holtville; KKMC(AM) Gonzales; KPRZ(AM) San Marcos, all California; WCHP(AM) Champlain, NY. and WGNZ(AM) Titusville, FL. Action Nov. 5.

■ Rocky Mount, NC (BP860724AC)—Granted app. of Rocky Mount Radio for 1120 khz. Address: 85 E Harris St., La Grange, IL 60525. Principal is owned by Karen M. Cox, who has no other broadcast interests. Action Nov. 6.

■ Roxbury, NY (BP870109AI)—Granted app. of Harvest Broadcasting for 1400 khz; 1 kw. Address: P.O. Box 105, Hinsdale, NH 03451. Principal is owned by Brian Dodge, who has interest in KTIJ-FM Alva, OK. Action Nov. 3.

FM's

■ Sac City, IA (BPH860313MU)—Granted app. of Sac Radio General Partnership for 105.1 mhz; 3 kw; HAAT: 220 m. Address: 285 Burr Rd., East Northport, NY 11731. Principal is owned by Robert M. Reed, who has no other broadcast interests. Action Nov. 6.

■ Sweet Home, Ore. (861208MM)—Returned app. of Nanette Markunas for 107.1 mhz; 3 kw; HAAT: 328 ft. Address: P.O. Box 2576, Montauk, NY 11954. Principal has no other broadcast interests. Action Oct. 22.

Allocations

■ Meridianville, AL—Effective December 28, amended the FM Table by allotting Channel 231A (94.1 mhz) to Meridianville as its first local broadcast service. The filing window opens December 29 and closes January 28. (MM Docket 86-376 by R&O [DA 87-1624] adopted October 30 by the Chief, Allocations Branch, Mass Media Bureau).

■ Apache Junction, AZ—At request of Beta Communications, Inc., proposed substituting Channel 296C2 (107.1 mhz) for Channel 296A and modifying the license of KSTM to operate on the C2 channel. Comments due January 7, replies January 22. (MM Docket 87-506 by NPRM [DA 871634] adopted October 30 by the Chief, Allocations Branch, Mass Media Bureau).

■ Window Rock, AZ—Effective December 28, amended the FM Table by allotting Channel 241C (96.1 mhz) to Window Rock as its second local FM service. The filing window opens December 29 and closes January 28. (MM Docket 86-417 by R&O [DA 87-1623] adopted October 30 by the Chief, Allocations Branch).

■ Big Bear City, CA—Effective December 28, amended the FM Table by allotting Channel 227A (93.3 mhz) to Big Bear City as its first local broadcast service. The filing window opens December 29 and closes January 28. (MM Docket 86-311 by R&O [DA 87-1626] adopted October 30 by the Chief, Allocations Branch).

■ Sacramento, CA—Effective December 28, amended the TV Table by allotting Channel *52 to Sacramento as its second noncommercial educational TV service. (MM Docket 86-246 by R&O [DA 87-1625] adopted October 30 by the Chief, Allocations Branch).

■ Mountain Home, ID—At request of Mountain Home Broadcasting, proposed substituting Channel 256C (99.1 mhz) for Channel 257A (99.3 mhz), and modifying the license of KJCY to specify the new channel. Comments due January 7, replies January 22. (MM Docket 87-507 by NPRM [DA 87-1638] adopted October 30 by the Chief Allocations Branch).

■ Ida Grove, IA—At request of Buena Vista College, proposed substituting Channel 225C2 (92.9 mhz) for Channel 224A (92.7 mhz) and modifying the license of KIDA(FM) to operate on the higher class channel. Comments due January 7, replies January 22. (MM Docket 87-508 by NPRM [DA 871637] adopted October 30 by the Chief, Allocations Branch).

■ Lisbon, NH—At request of Montpelier Broadcasting, Inc., proposed allotting Channel 244A (96.7 mhz) to Lisbon as it first local FM service. Comments due January 7, replies January 22. (MM Docket 87-509 by NPRM [DA 871636] adopted October 30 by the Chief, Allocations Branch).

■ Roswell, NM—Effective December 31, FM Channel *258A (99.5 mhz) to Roswell for noncommercial educational use. (MM Docket 87-194 by R&O [DA 87-1640] adopted October 30 by the Chief, Allocations Branch).

■ Canton, NY—At request of Craig L. Fox, proposed allotting Channel 268A (101.5 mhz) to Canton as its second local FM service. Comments due January 7, replies January 22. (MM Docket 87510 by NPRM [DA 87-1635] adopted October 30 by the Chief, Allocations Branch).

■ Banks, OR—Effective December 28, amended the FM Table by allotting Channel 298A (107.5 mhz) to Banks as its first local FM service. The filing window opens December 29 and closes January 28. (MM Docket 87-188 by R&O [DA 87-1616] adopted October 30 by the Chief, Allocations Branch).

■ Columbia, SC—Effective December 31, allotted TV Channel 47 to Columbia as its fifth local commercial TV service. (MM Docket 87-125 by R&O [DA 87-1639] adopted October 30 by the Chief, Allocations Branch).

■ Olympia, WA—Effective December 28, amended the TV Table by allotting Channel 27 to Olympia as its first commercial TV service. (MM Docket 87-70 by R&O [DA 87-1627] adopted October 30 by the Chief, Allocations Branch).

Summary of broadcasting as of Sept. 30, 1987

Service	On Air	LP's	Total *
Commercial AM	4,893	170	5,063
Commercial FM	3,999	418	4,417
Educational FM	1,283	173	1,456
Total Radio	10,175	761	10,936
FM translators	1,115	766	1,881
Commercial VHF TV	543	23	566
Commercial UHF TV	463	222	685
Educational VHF TV	115	3	118
Educational UHF TV	203	25	228
Total TV	1,324	273	1,597
VHF LPTV	247	74	321
UHF LPTV	162	136	298
Total LPTV	409	210	619
VHF translators	2,981	145	3,126
UHF translators	1,998	293	2,291
ITFS	250	114	364
Low-power auxiliary	824	0	824
TV auxiliaries	7,430	205	7,635
UHF translator/boosters	6	0	6
Experimental TV	3	5	8
Remote pickup	12,338	53	12,391
Aural STL & intercity relay	2,836	166	3,002

* Includes off-air licenses.

Facilities Changes

Applications

■ Escanaba, MI, WCHT, 600 khz—871103-Application for CP to change city of license to Gladestone, MI; change freq to: 750 khz; reduce pwr to 400 watts; change TL to: 1 km N of Hwy 414 on Co Hwy 527, 4 km SE of Village of Flat Rock, Delta Co, Township of Wells, and make changes in antenna system. 45 48 21N 87 08 20W

Actions

■ Minneapolis, MN, KTIS, 900 khz—871106-Application (BP870331CP) returned for CP to increase day power to 50 kw; add night service with 0.3 kw; install DA-2; change TL to: East side of Century Ave., 0.15 mi S of intersection of Larpenteur Ave, and N of Chicago and Northwestern Railroad, Oakdale, MN and make changes in antenna system.

■ St. Marys, WV, WVVW, 630 khz—871106-Application (BP870327AM) granted for CP to increase power to 1 kw.